



CITY OF HAYWARD

AGENDA REPORT

AGENDA DATE 07/25/00

AGENDA ITEM 13

WORK SESSION ITEM _____

TO: Mayor and City Council

FROM: Director of Community and Economic Development

SUBJECT: Acceptance of Report on Action Undertaken During Moratorium and Extension of Interim Moratorium Ordinance in Cannery Study Area

RECOMMENDATION:

It is recommended that the City Council accept the report on action taken during the 45 day moratorium and adopt the attached ordinance continuing the interim moratorium on the approval of land use changes and building permits within the Cannery Area (Exhibit A).

REPORT ON ACTION UNDERTAKEN DURING MORATORIUM:

The expansion of the original Downtown Redevelopment Plan in 1998 was based in part on findings of blighting conditions in the cannery area. The area includes a mix of residential, commercial and industrial land uses in some of the oldest structures in Hayward. The Hunt's Cannery was established in 1896 and the subdivision of the "B" Street area occurred in 1908. On most parcels in the adjacent Burbank neighborhood, the assessed value of the land exceeds the assessed value of the structure, indicating the poor condition of structures and a high susceptibility to change.

Economic pressures for development, as well as recent indications that the current industrial uses may no longer be viable in this location, have spurred the Agency to move forward with an expedited planning process for the transition of these older industrial areas (Exhibit B). Some businesses, such as the can coating operation, have indicated they may soon move or close down. Others, such as the refrigerated warehouses, have experienced staff reductions or have use permits that are scheduled to expire in the short term. Many of these uses are not compatible with adjacent residential development. Primary concerns are related to truck traffic, circulation pattern and noise. The conflicts between industrial and residential traffic on streets surrounding the area continue to present safety hazards to citizens, school children and workers alike. Noise generated by the refrigerated trucks adjacent to residential properties gives rise to citizen complaints. Given these issues, several landowners have indicated an interest in redeveloping their sites with more compatible, as well as more financially remunerative, uses.

The City Council has supported the development of a Cannery Area Design Concept to facilitate appropriate reuse of this historic area. A contract with Solomon E.T.C., an urban design firm, to **perform** this work was authorized by Council on June 27, 2000. This design concept plan will provide the basis for a reevaluation of the current development policy framework for this area. Given the significant changes in surrounding development and economic forces that have occurred since this area was first developed, it is likely that the concept plan will suggest changes to the Zoning Ordinance and General Plan. This area is currently designated a Potential Change Area under the Growth Management Element of the General Plan, which states:

In potential change areas, and along key transit corridors, higher intensity, quality development designed to fit with non-automotive modes of travel can be supported. Mixed-use development (e.g. housing above commercial) will be promoted where appropriate to ensure a pedestrian-friendly environment that has housing, jobs, shopping, parks and recreation in close proximity.

Development of a design concept plan is an essential element in shaping the future of this historic cannery area. The inclusion of this area in the Amended Redevelopment Plan was a first step in gaining the legal and financial capacity to positively influence its revitalization. The creation of the conceptual design plan will establish the vision of how the area should change and redevelop to meet the needs of the City of Hayward in the coming decades. It will also provide guidance to the development community about the type of development that the City will support and certainty that their development will not be compromised by inappropriate or incompatible uses on adjacent parcels.

The current strong economy and the dearth of adequately sized parcels for single-family subdivision construction will put increasing pressure on the larger parcels within Area 2. These larger parcels hold the key to changing the essential nature of the study area, because of their size and location. Exhibit A outlines the area of greatest concern. Currently, this area lacks adequate circulation, its industrial uses are incompatible with the surrounding residential uses, its structures are nearing the end of their useful life, and the parcel configurations are obsolete. Given the fragmented ownership pattern, it is not likely that the private sector alone would be able to create the kind of vibrant, mixed-use development opportunities that could be created through a comprehensive plan for the land. Should one owner find it advantageous to apply for development entitlements, the ability to properly plan for the entire area could be seriously compromised.

Consequently, on June 27, 2000, the City Council also enacted the attached moratorium on land use approvals and issuance of most building permits as an urgency measure. After the requisite public hearing, the Council may extend the interim ordinance for up to 10 months and 15 days.

The Cannery Area Design Concept is scheduled for completion by the end of this calendar year. It would be prudent to allow two to three month's time in 2001 for the development and full review of proposed changes to any policies, plans or ordinances that may result from the approved Design Concept. Given that nine months appears to be the approximate period

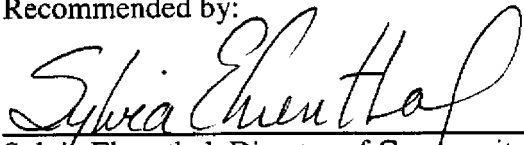
required to accomplish the entire process, staff is recommending extension of the moratorium for 10 months and 15 days. This is the standard extension period set forth in state law. A moratorium of this duration should have limited impact on property owners in the short run and significant benefits in the long run, providing the security that the entire cannery area would be revitalized to its highest and best use. The sole exception to this moratorium would be for building permits for single-family homes in which the valuation of the permit does not exceed twenty-five percent (25%) of the assessed value of the home.

Staff believes there will be limited impact on property owners in the area as a result of extending the moratorium. Review of City records indicates there are no current applications on file for land use and building permit approvals in the area covered by this action. Therefore, staff finds that no changes to the scope of the ordinance are necessary.

NOTICE

Notice of this public hearing was provided to all property owners within the area affected by the moratorium and to those owning property within 300 feet of the area,

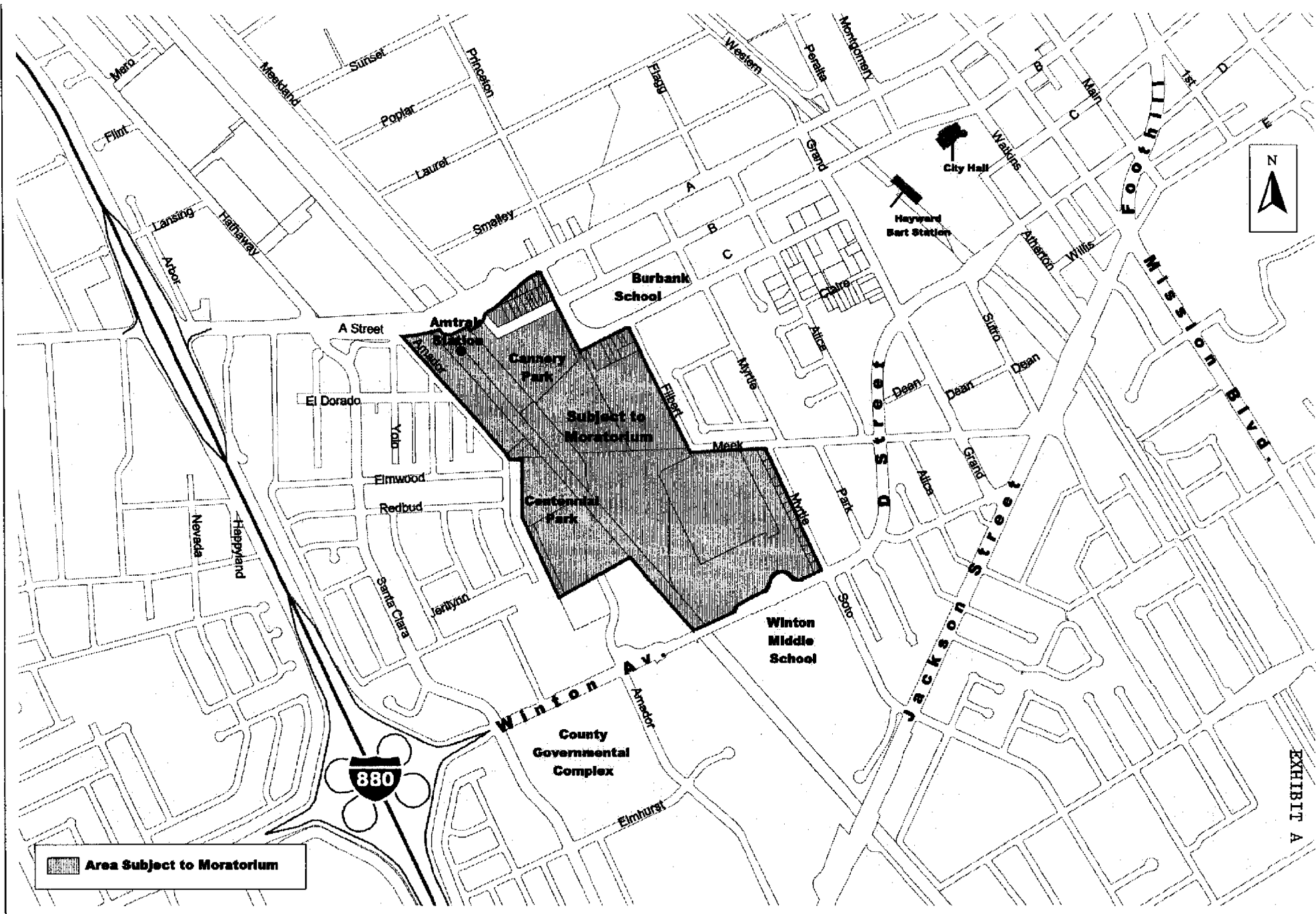
Recommended by:


Sylvia Ehrenthal, Director of Community
and Economic Development

Approved by:


Jesús Armas, City Manager

Attachments: Exhibit A - Moratorium Area
Exhibit B - Cannery Study Area
Ordinance



Moratorium Area

500 0 500 1000 1500 Feet

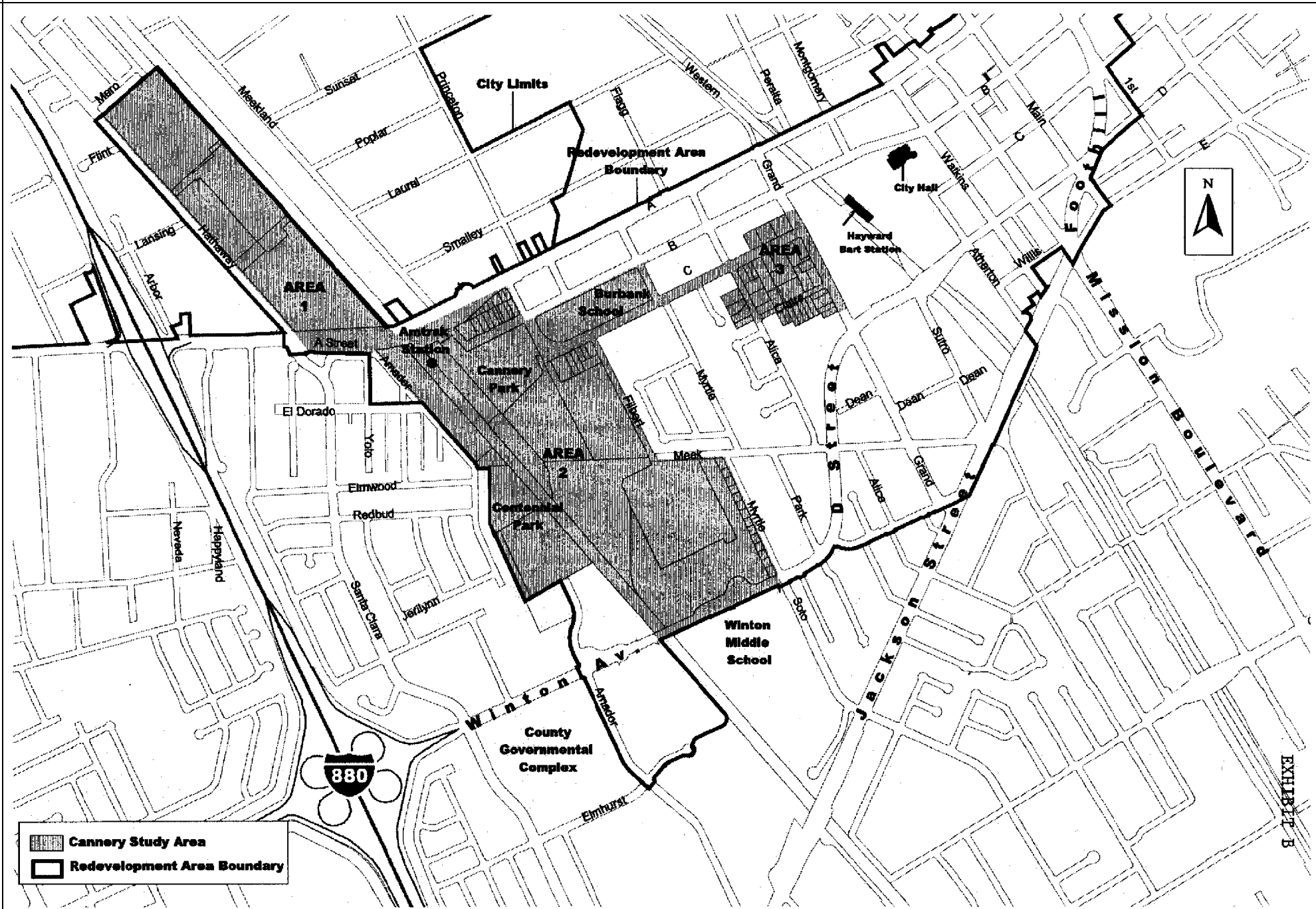


EXHIBIT B

Cannery Study Area



ORDINANCE NO - -

7/20/00
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AN ORDINANCE TO EXTEND INTERIM EMERGENCY
ORDINANCE NO.00-02 OF THE- CITY OF HAYWARD
ADOPTED PURSUANT TO GOVERNMENT CODE SECTION
65858, IMPOSING A TEMPORARY MORATORIUM ON THE
ISSUANCE OF USE PERMITS, VARIANCES, BUILDING
PERMITS AND OTHER **LAND** USE APPROVALS WITHIN
DELINEATED SECTIONS OF THE CANNERY AREA

WHEREAS, the City Council adopted Ordinance No. **00-02**, on June 27, 2000, pursuant to Section 65858 of the California Government Code, imposing a 45day emergency moratorium on the issuance of use permits, variances, building permits for improvement of any existing residence in excess of 25 percent of the assessed value of the residence and other land use approvals within delineated sections of the Cannery Area (the "Subject Area"); and

WHEREAS, the City Council has authorized a contract with Solomon ETC, an urban design firm, to undertake an independent study of the Subject Area for the purpose of developing a comprehensive design concept plan, and the conclusions of that study will be used to evaluate the City's Zoning Ordinance and General Plan as it applies to the Subject Area;

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF HAYWARD DOES
ORDAIN AS FOLLOWS:

Section 1. This ordinance is to extend the interim ordinance adopted on June 27, 2000, as an emergency measure pursuant to Government Code Section 65858 and is necessary for the immediate preservation of the public health, safety and welfare. The facts constituting the urgency are these: The Subject Area in the Cannery district was annexed to the City's original Downtown Redevelopment Area in 1998 based on conditions of blight that existed in **the** area. The structures in the Subject Area are some of the oldest in the City and, for many properties in the Subject Area, the assessed value of the land exceeds the value of the structure. The Subject Area contains a mix of industrial, residential and commercial uses, and the uses are no longer compatible. There are significant issues relating to commercial vehicular traffic, circulation pattern and noise. The conflicts between industrial and residential traffic presents safety hazards to citizens, school children and workers. Noise generated by commercial vehicles jeopardizes the health, safety and welfare of the residents of the Subject Area. The Subject Area currently lacks adequate circulation; its industrial uses are incompatible with its residential uses; its structures are nearing the end of their useful life; and the parcel configurations are obsolete. The City is in the process of developing a comprehensive design concept plan for the Subject Area. The City envisions a mixed use residential/commercial district in the Subject Area that complements the revitalization of the City's Downtown area. The City seeks to strengthen the link between the Amtrak station on the western side of the Subject Area and the Downtown Hayward BART station on the eastern side of the Subject Area, thereby encouraging

more transit-oriented development. Economic pressures for residential and retail development, as well as recent indications that the current industrial uses may no longer be viable in this location, have created an immediate need to proceed with an expedited planning process for transition of the Subject Area. The City Council recently authorized a contract with Solomon ETC, an urban design firm, to undertake a study of the Subject Area for the purpose of developing a comprehensive design concept plan for the area. Results of that study may be used to evaluate the City's Zoning Ordinance and General Plan. A comprehensive design plan cannot be enacted without due deliberation and it will take an undetermined length of time to study the Subject Area and fashion a suitable plan that satisfies the City's policies and long term objectives. Various technical and environmental studies, such as a focused traffic analysis, basic economic market analysis and the equivalent of a Phase I hazardous materials analysis, will be undertaken. The design study will include a land use diagram and a circulation network as part of the overall design guidelines. It would be destructive of the process if, during the period that the study is being conducted, uses are permitted in the Subject Area that may ultimately be incompatible with the design plan adopted for the area and defeat the objectives of the study.

~~Section 1~~ **Section 2** Notwithstanding any provision of the Hayward Municipal Code to the contrary, this ordinance extends the **45-day** moratorium on the issuance of use permits; variances; building permits for any new structure or existing commercial or industrial structure; building permits for any improvement on an existing residence in excess of 25 percent of the assessed value of the residence; and other land use approvals in the Subject Area for ten months and fifteen days from August 11, **2000**, except as may be extended as provided by Government Code Section 65858.

~~Section 2~~ **Section 3** Planning Director is hereby authorized to administer and interpret the provisions of this ordinance, including but not limited to, review of specific use permits applications, variance requests, building permit applications, and other land use approvals, to determine whether the requested use permit, variance, building permit or other land use approval is subject to the terms of this ordinance.

Section 4 nance shall take effect immediately upon passage by at last six **affirmative** votes of the City Council and in accordance with Government Code Section 65858.

INTRODUCED at a regular meeting of the City Council of the City of Hayward, held
the ____ day of _____, 2000, by Council Member _____

ADOPTED at a regular meeting of the City Council of the City of Hayward held the ____ day of _____, 2000, by the following votes of members of said City Council.

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED: _____
Mayor of the City of Hayward

DATE: _____

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward